(b) In this regard, Entry 17 of List II (State List) of the Constitution is given below:

"Water, that is to say, water supplies, irrigation and canals, drainage and embankments, water shortage and water power subject to the provisions of Entry 56 of List-I".

(c) Regulation and development of inter-State rivers is already provided at Entry 56 of List-I (Union List) of the Constitution which is reproduced below:

"Regulation and development of inter-State rivers and river valleys to the extent to which such regulation and development under the control of the Union is declared by Parliament by law, to be expedient in the public interest."

**Bidding for ground handling operations by Al and Indian**

*314. SHRI PRAVEEN RASHTRAPAL: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Air India and Indian are planning to float a Joint Venture (JV) to bid for ground handling operations at newly built airports at Hyderabad, Delhi and Mumbai;

(b) if so, the details in this regard;

(c) whether Air India and Indian will also associate foreign players in the process; and

(d) if so, the details in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) to (d) It was decided by Air India and Indian Airlines that tender for ground handling at GMR Hyderabad International Airport Ltd. (GHIAL) will be jointly submitted by them. As per the terms of the tender requirement of GHIAL, the Indian Operator or Handling Agent was required to join with an International Ground Handling Agency. All the International Ground Handling Agencies shortlisted by GHIAL. Were considered by Air India/Indian Airlines. From amongst these, Singapore Air Terminal Service (SATS) was selected as a JV partner

with 49% shareholding and Air India and Indian Airlines jointly holding the remaining 51%. However, the GHIAL has not yet finalized the ground handling contract for Hyderabad airport.

In respect of Delhi and Mumbai, no tender has been floated by the airport operators for ground handling and presently Air India and Indian Airlines are independently carrying out ground handling activity at these two airports.

**Use of cheque for transactions above Rs. 20,000**

*315. DR. K. MALAISAMY:
SHRI S. ANBALAGAN:

Will the Minister of FINANCE be pleased to state:

(a) whether any business or financial transaction to the value of more than 20,000 has to be done by means of a cheque as per the existing instructions which are more than 2 decades old; and

(b) whether in view of inflation and other escalations the ceiling of Rs. 20,000 will be doubled or tripled?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) Under the provisions of section 40A(3) of the Income-tax Act, 1961, payment of a sum exceeding Rs. 20,000/- against any expenditure incurred by the assessee, if made otherwise than by an account payee cheque drawn on a bank or account payee bank draft is not allowed as a deduction in computing income under the head "Profits and gains of business or profession". Further, under sections 269SS and 269T of the Income-tax Act, 1961 there is requirement in certain cases of acceptance or repayment of loans or deposits of a sum of Rs. 20,000/- or more through account payee cheque or account payee bank draft.

The limit of Rs. 20,000/- under section 40A(3) was provided *w.e.f.* 1.4.1997. The limit of Rs. 20,000/- under sections 269SS and 269T was provided *w.e.f.* 1.4.1989.

(b) No, Sir.